



Electricity Oversight Board

Daily Report for Thursday, May 8, 2003

On Thursday, due to congestion on Path 26 in the North-to-South direction, the average zonal prices split for NP15 at \$8.67/MWh and SP15 at \$9.64/MWh. The average zonal price dropped from the previous day by 52 percent for NP15 and by 67 percent for SP15. Despite an increase in the natural gas price on Thursday at \$5.12/MMBtu, up from Wednesday at \$5.02/MMBtu, the average zonal prices were lower partly as the result of:

- Moderate weather conditions. Mild temperatures across California maintained stable demands for electricity.
- Healthy generation levels, including hydro generation.

The price spikes for hour 8 a.m. could be due to gradual ramp rate for the generation to come on-line in the morning with respect to the load requirements for that hour.

The price spikes for hour 11 p.m. could be due to more rapid ramp rate for the generation come off-line in the evening with respect to the load requirements for that hour.

In the News: The California Public Utilities Commission (CPUC) announced an “Energy Action Plan” designed to (1) curb demand through conservation, (2) add 2,000 MW of new generation capacity, and (3) include renewable energy to meet demand.

Figure 1 - SP15 & NP15 7-Day Rolling Average Prices

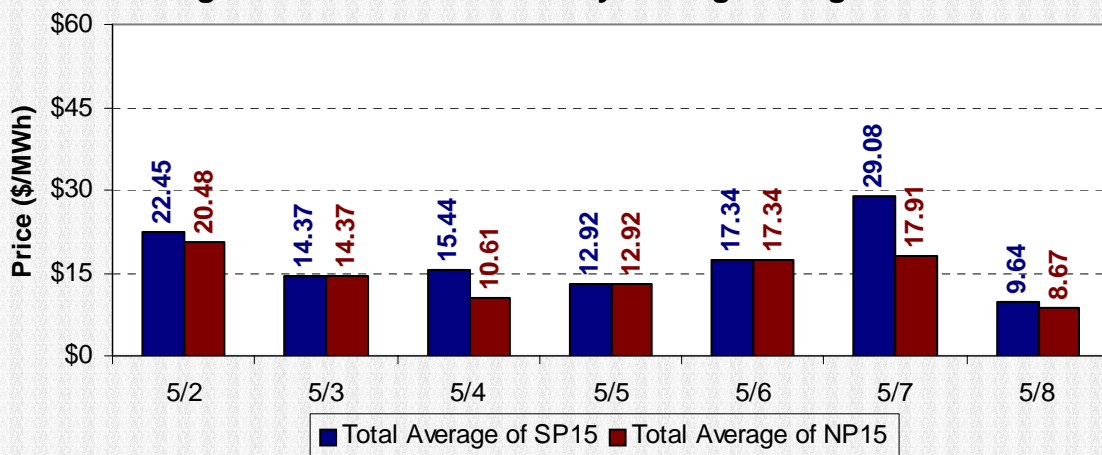
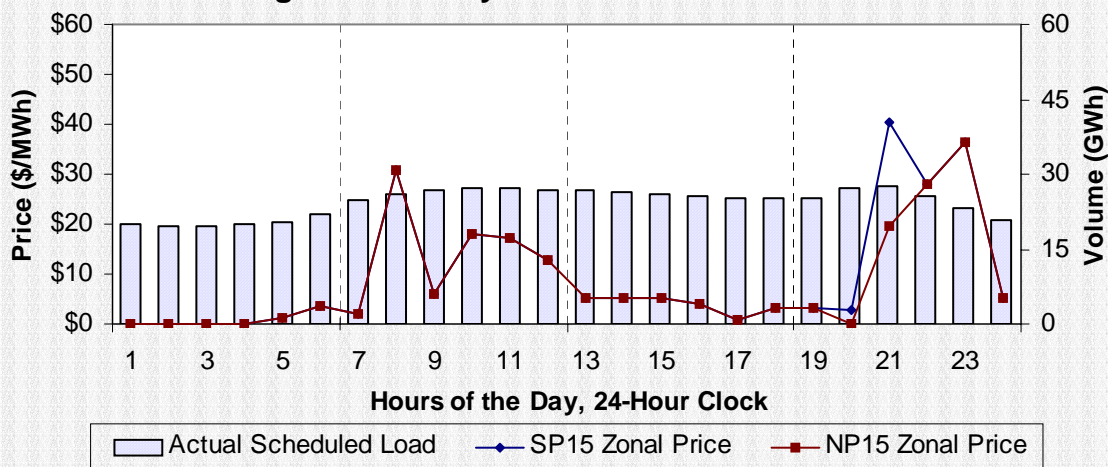


Figure 2 - Hourly Zonal Price and Volume





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Figure 3 - On-Peak Average Price by Market Area

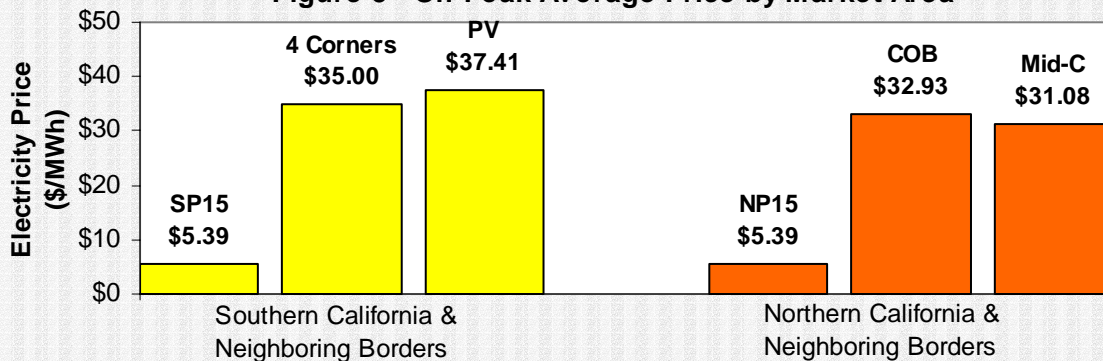


Figure 4 - Seven Day Snapshot of NP15 Zonal Price

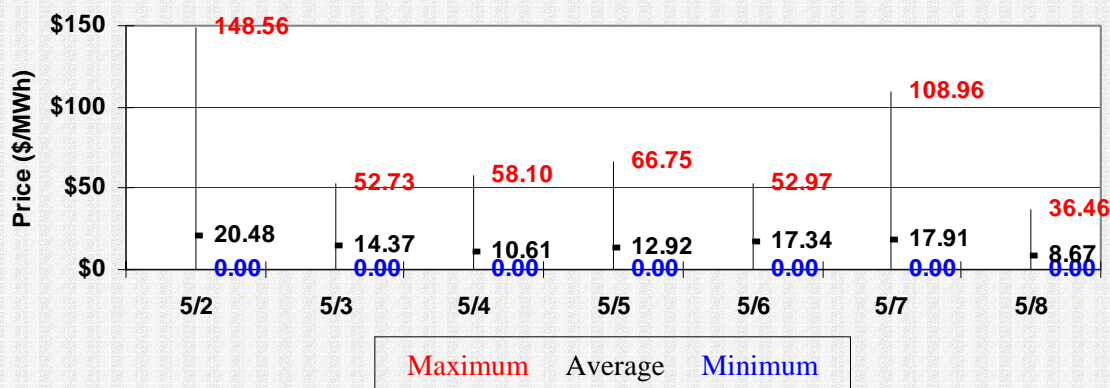


Figure 5 - Average Natural Gas Price

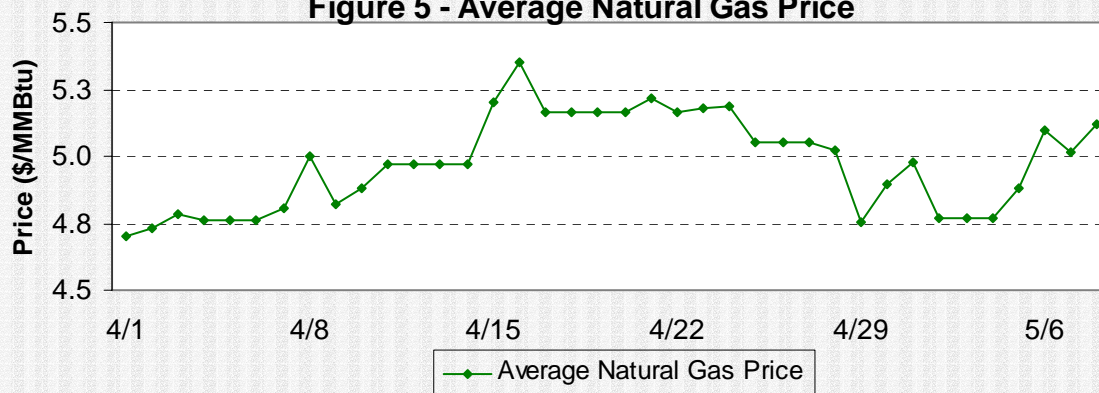


Figure 6 - Average Daily Zonal Price & Total Actual Load

